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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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Jonathan Boswell

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EXAMINER

KHATTAR, RAJESH

ART UNIT

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PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/028,284	Applicant(s) BOSWELL ET AL.	
	Examiner RAJESH KHATTAR	Art Unit 3693	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 16 January 2009.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-62 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-62 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Acknowledgements

This office action is in response to Applicant's communication filed on 1/16/2009. The examiner for this application has changed. Please indicate Examiner Rajesh Khattar as the examiner of record in all future correspondence.

Status of Claims

Claims 1-62 are pending in the application. Independent claims have been examined together, since they are not patentable distinct. If applicant expressly states on the record that two or more independent and distinct inventions are claimed in a single application, the Examiner may require the applicant to elect an invention to which the claims will be restricted.

A new ground of rejection is presented in this office action. Accordingly, this office action is non-final.

Claim Rejections - 35 USC § 112

The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

Claims 1-62 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention. Examiner notes that the waterfall identifies a present value of each of the

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predetermined pricing does not comply with the enablement requirement. Examiner was unable to find support for determining present value in the specification. If Applicant disagrees with Examiner's assertion, Examiner requests the Applicant to specifically point out the relevant pages in the specification where the support for determining present value can be found.

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 1-62 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

In claim 1 (and elsewhere, where applicable), the term tool is not defined with any specificity. Examiner interprets tool to be simply a computer system.

In claim 1 (and elsewhere, where applicable), the term waterfall is not defined with any specificity. Examiner interprets generating a waterfall to be simply generating a graphical representation of data, i.e., a column graph).

In claim 1 (and elsewhere, where applicable), Examiner is unclear about the term "the waterfall identifies a present value of each of the predetermined pricing". Examiner notes that a present value is the value on a given data of a future payment or series of future payments, discounted to reflect the time value of money and other factors such as investment risk. However, the claim lacks the step of calculating present value. Examiner is unclear how a waterfall (which is simply a graphical representation as interpreted by Examiner) would identify present value. This renders the claim indefinite.

Examiner interprets this limitation to be simply the waterfall identifies the current pricing based on the predetermined pricing metrics (e.g. discount, incentive, etc.).

In claim 1 (and elsewhere, where applicable), Examiner is unclear about the scope of "others" as in the term "waterfall identifies a present value of each of the predetermined pricing metrics in relation to others of the predetermined pricing metrics". This renders the claim indefinite.

In claim 1 (and elsewhere, where applicable), Examiner is unclear about the term "waterfall identifies a present value of each of the predetermined pricing metrics in relation to others of the predetermined pricing metrics". How does waterfall identifies a present value of each of the predetermined pricing metrics *in relation to others* of the predetermined pricing metrics? Examiner is interpreting this limitation to be "waterfall identifies a present value of each of the predetermined pricing metrics with respect to each other."

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-62 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Examiner asserts that the active steps of claims 1, 24, 46, 51 and 56 fail to specifically include an apparatus to carry out the process steps. Applicant is, thus, required to positively include a non-nominal, computer-implemented step in the body of the claim in order to comply with 35 U.S.C. 101. Appropriate correction is requested.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-4, 9-10, 20, 24-27, 32-33, 43, 46, 51 and 56 are rejected under 35 U.S.C. 103(a) as being unpatentable over Phillips et al., US Patent No. 7,133,848. Philips discloses a method for analyzing a financial services pricing process, comprising the steps of:

receiving data from a plurality of sources in a tool (Figure 2, supply forecaster, cost model, sales forecaster represent data, a computer system represents a tool); and

generating a waterfall (generating a graphical representation of data which is within the capability of a spreadsheet application e.g. Excel, col. 1, lines 19-45, col. 8, lines 37-41) including the sub-steps of

measuring predetermined pricing metrics using the received data (col. 8, lines 27-41, discounts given to a buyer; col. 9, lines 15-20), and

graphing the predetermined pricing metrics (col. 8, lines 27-41, Figure 5, col. 1, lines 19-45, ;

wherein the waterfall identifies a present value of each of the predetermined pricing metrics in relation to others of the predetermined pricing metrics (Abstract, pricing recommendation represents present value; col. 1, lines 60-col. 2, lines 30, optimal prices; col. 8, lines 27-41, system display cost and discount numbers to the

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user, discount column for each product in each channel segment implies identifying a present value).

Therefore, it would have been obvious to a person having ordinary skills in the art at the time the invention was made to combine different disclosure of Phillips. The motivation for combining different disclosure of Phillips would have been to provide a dynamic pricing system that generates pricing recommendation for each product in each market as illustrated by Phillips (Abstract).

Regarding claim 2, Phillips discloses wherein the step of measuring the predetermined pricing metrics includes measuring at least one of discount, a plurality of incentives, a plurality of commissions, a plurality of fees, an underwriting and a market gap (col. 8, lines 27-41, discount).

Regarding claim 3, Phillips discloses the step of measuring the discount includes measuring a trend of usage percentage (col. 8, lines 27-41, increasing discount as the sales volumes increase).

Regarding claim 4, Phillips discloses wherein the step of measuring the plurality of incentives (volume discounts, col. 9, lines 15-20) includes measuring at least one of a total payout rate in relation to at least one payout rate of a competitor and a trend of usage percentage (col. 11, lines 20-40, competitor pricing and sales data, historical competitive pricing data).

Claims 24-27, 32-33, 43, 46, 51 and 56 are substantially similar to claims 1-4, 9-10 and 20 and hence rejected on similar grounds.

Claims 5-8, 11-19, 21-23, 28-31, 34-42, 44-45, 47-50, 52-55 and 57-62 are rejected under 35 U.S.C. 103(a) as being unpatentable over Phillips in view of Official Notice. Phillips discloses the invention as described above. Phillips does not specifically disclose limitations of claims 5-8, 11-19, 21-23, 28-31, 34-42, 44-45, 47-50, 52-55 and 57-62. Examiner takes Official Notice as the limitations wherein the step of measuring the plurality of commissions/fees comprise measuring at least one to a total payout rate in relation to at least one payout rate of a competitor and a trend of usage percentage, measuring the underwriting includes measuring at least one of an underwriting error rate and a premium leakage, measuring the market gap includes measuring at least one of a competitive rate, a ranking in relation to major competitors, and a percentage variance from a lowest price, wherein the step of measuring the predetermined pricing metrics includes measuring a market gap and the step of implementing the action plan includes at least one of evaluating a position of all market gap metrics, assessing current production levels and evaluating a need to re-price, measuring an underwriting and the step of implementing the action plan includes evaluating a need to restructure underwriting guidelines/assessing a level of discount production and performing a root cause analysis to determine a reason for an increase, determining a root cause for a production decline, performing market research to determine new fee types and implementing an action plan to increase production, assessing an impact of a rate reduction on volume, reevaluating a bonus schedule and implementing rate changes if required, receiving the data from at least one of an actuarial system, a commissions system, a bonus system and a competitive analysis

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database, receiving at least one of policy information, commissions data, bonus information, and market data, identifying opportunities to decrease revenue leaks using the waterfall generated and summarizing and sorting the received data in the database using a plurality of predetermined database queries are old and well known in the art.

Therefore, it would have been obvious to a person having ordinary skills in the art at the time the invention was made to modify the disclosure of Phillips to include the disclosure of Official Notice. The motivation for combining these references would have been within the knowledge of a person having ordinary skills in the art.

Regarding claim 9, Phillips discloses the step of implementing an action plan based on the measurements of the predetermined pricing metrics (col. 13, lines 5-30).

Regarding claim 10, Phillips discloses implementing the action plan includes implementing a control plan to automatically trigger the action plan when a measurement of a portion of one of the predetermined pricing metrics associated with the action plan meets a predetermined trigger level criteria (col. 12, lines 33-col. 13, lines 30, alert generator).

Regarding claim 20, Phillips discloses the step of reviewing a pricing process using the waterfall generated (col. 8, lines 25-47, Fig 5, spreadsheet).

Claims 28-31, 34-42, 44, 45, 47-50, 52-55 and 57-62 are substantially similar to claims 5-8, 11-19 and 21-23 and hence rejected on similar grounds.

Response to Arguments

Applicant's arguments with respect to the pending claims have been considered but are moot in view of the new ground(s) of rejection.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to RAJESH KHATTAR whose telephone number is (571)272-7981. The examiner can normally be reached on Flex schedule.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Kramer can be reached on 571-272-6783. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Rajesh Khattar/
Examiner, Art Unit 3693